

SENATE BILL

No. 21

Introduced by Senator Cogdill

October 11, 2007

An act to add Section 17053.91 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.

LEGISLATIVE COUNSEL'S DIGEST

SB 21, as introduced, Cogdill. Personal income taxes: credits: rural areas: medical professionals.

The Personal Income Tax Law authorizes various credits against the taxes imposed by those laws.

This bill would authorize a credit against those taxes for each taxable year beginning on or after January 1, 2008, in an amount equal to 25% of the tax imposed on a medical care professional who provides medical services in a rural area.

This bill would take effect immediately as a tax levy.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 17053.91 is added to the Revenue and
- 2 Taxation Code, to read:
- 3 17053.91. (a) For each taxable year beginning on or after
- 4 January 1, 2008, there shall be allowed as a credit against the “net
- 5 tax,” as defined in Section 17039, an amount equal to 25 percent
- 6 of the “net tax,” of an individual who is a qualified medical care
- 7 professional.

1 (b) For purposes of this section:

2 (1) “Qualified medical care professional” means any individual,
3 licensed as a healing arts practitioner under Division 2
4 (commencing with Section 500) of the Business and Professions
5 Code, who provides medical services in a rural area.

6 (2) “Rural area” means any open country or any place, town,
7 village, or city which, by itself, and taken together with any other
8 places, towns, villages, or cities that it is part of, or associated
9 with, either has a population not exceeding 10,000, or has a
10 population not exceeding 20,000 and is contained within a
11 nonmetropolitan area. “Rural area” also includes any open country,
12 place, town, village, or city located within a standard metropolitan
13 statistical area within this state, as established by the United States
14 Office of Management and Budget, if the population thereof does
15 not exceed 20,000 and the area is not part of, or associated with,
16 an urban area and is rural in character.

17 (c) In the case where the credit allowed by this section exceeds
18 the “net tax,” the excess may be carried over to reduce the “net
19 tax” in the following year, and succeeding years if necessary, until
20 the credit is exhausted.

21 SEC. 2. This act provides for a tax levy within the meaning of
22 Article IV of the Constitution and shall go into immediate effect.

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